

Message Text

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PAGE 01 BERN 02953 191449Z
ACTION EB-08

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EO 11652: N/A
TAGS: ESTC, COCOM, SZ
SUBJ: SWISS SEMI-CONDUCTOR MANUFACTURING EQUIPMENT TO
EASTERN COUNTRIES

REF: STATE 143171

1. HERewith KRELL'S REACTION TO POINTS MADE PARAS 1 C(2) AND
1 C (3) REFTel.

2. REF PARA 1C(2): QTE WE HAVE COMPREHENSION FOR THE
REMARKS MADE IN REF PARA. IT IS CORRECT THAT THE SWISS AUTHOR-
ITIES ARE GRANTING BLUE IMPORT CERTIFICATES ONLY IN CASES WHERE
THE SWISS PURCHASERS ARE IN A POSITION TO PROVE THAT THE CONTROLLED
MERCHANDISE IS FOR CONSUMPTION IN SWITZERLAND. THE TERM
CONSUMPTION REFERS TO THE MANUFACTURING REQUIREMENTS OF OUR
INDUSTRIES. OUR FIRMS ARE IN NEED OF RAW MATERIALS FROM ABROAD
AND CERTAIN PARTS, SOME OF THEM UNDER CONTROL IN THE COUNTRY
OF SUPPLY, FOR THE NORMAL MANUFACTURING OPERATION OF THE
FIRMS' OWN MACHINERY, APPARATUS OR EQUIPMENT. THE IMPORTED
MATERIAL IS BEING CONSUMED IN THE SWISS PRODUCTION LINE. THIS
LEADS TO AN INTEGRATION OF THE FOREIGN MATERIAL IN
A PRODUCT, FOR WHICH THE SWISS ORIGIN IS CERTIFIED ACCORDING
TO OUR NATIONAL COUNTRY OF ORIGIN CRITERIAS.
BY EXPORTING THE SWISS PRODUCT, THE BLUE IMPORT
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CERTIFICATE IS NOT UNDERMINED IN ANY WAY. ON THE
CONTRARY, THE OBLIGATION SIGNED BY THE SWISS IMPORTER
IS FULFILLED BY LEADING THE IMPORTED ITEMS INTO THE
SWISS MANUFACTURING PROCESS.
THE SWISS PRODUCTS ARE OFFERED BY OUR FIRMS ON THE
DOMESTIC AND ON FOREIGN MARKETS. IF THE PRODUCT IS
A LIST ITEM IT WILL BE NECESSARY TO SUBMIT AN EXPORT

LICENSE APPLICATION WHEN SOLD TO A FOREIGN CLIENT. AS IT IS UNDERSTOOD UNDER THE GENTLEMEN'S AGREEMENT OF 1951 THE DECISION ON REFUSING OR GRANTING THE EXPORT LICENSE IS A MATTER THAT LIES IN THE AUTONOMOUS DECISION OF THE SWISS EXPORT CONTROL AUTHORITIES. STRATEGIC MATERIAL ITEMS ARE CAREFULLY CONSIDERED ON A PRAGMATIC BASIS. EVERY CASE IS DIFFERENT AND HAS TO BE LOOKED AT SEPARATELY. ONE COULD NOT GENERALIZE THIS POLICY BY A DEFINITION.

3. REF PARA 1C(3): QTE WE WOULD LIKE TO ADD THAT THE AMERICAN FORM "ULTIMATE CONSIGNEE STATEMENT" IS NOT ADAPTABLE IN OUR NORMAL CASE. ONLY THEN CAN IT BE OF USE WHEN AN AMERICAN PRODUCT OR PART AS SUCH IS BEING PROCESSED HERE AND RESOLD TO AN ULTIMATE CONSIGNEE IN A THIRD COUNTRY. IT WOULD REPLACE THE NON-AVAILABLE BLUE IMPORT CERTIFICATE. NON-AVAILABLE (FROM THE SWISS AUTHORITIES) BECAUSE THE SWISS FIRM KNOWS FROM THE BEGINNING OF THE TRANSACTION THAT A THIRD-COUNTRY WILL BE THE FINAL DESTINATION. THE SWISS AUTHORITIES WOULD NOT GUARANTEE BY A BLUE IMPORT CERTIFICATE THE NON-REEXPORTATION UNDER SUCH CIRCUMSTANCES. THE NORMAL CASE HOWEVER IS THAT AT THE TIME OF PROCUREMENT OF THE FOREIGN MATERIAL THE SWISS IMPORTER AND/OR MANUFACTURER CANNOT KNOW TO WHOM AND AT WHAT DATE HIS FINAL SWISS PRODUCT WILL BE SOLD. THIS IS WHY, LIMITED OFFICIAL USE

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AS FAR AS STRATEGIC MATERIAL IS CONCERNED, THE SWISS IMPORT AND EXPORT CONTROL AUTHORITIES, HAVE TAKEN THIS MATTER IN HAND 27 YEARS AGO. UNQTE

4. COPY OF LETTER BEING POUCHED EB/ITP/ EWT, MR. ROOT. CROWLEY

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